

MINUTES
OPERATIONS & ENGINEERING COMMITTEE MEETING
FEBRUARY 14, 2023

Attendants: Messrs. Cherico, DiSantis, Hurst, Kern, Knapp, Lehman, Moss, Mullen, Nagle, Willert, and Mesdames Amadio, Billings, Bonnett, Caulk, Cummings, Nichols, and Sage.

1. ROLL CALL: Eight members of the DELCORA Board of Directors were present at the meeting constituting a quorum.

The following was present for the bid opening: Matt Mascaro of J.P. Mascaro & Sons. Also present were Joyce Bell, Mike Ewall, Loan T. Lam, and ZT Mayfield. There were no other members of the public present.

2. PLEDGE OF ALLEGIANCE: All parties present at the meeting recited the Pledge of Allegiance.

COMMENTS FROM THE PUBLIC: Joyce Bell of Springfield, PA submitted the following questions via email:

1. QUESTION: Can you give an update on the status of the Tunnel Project?

RESPONSE: Mr. Hurst stated that the design is complete and is ready to go out for bid pending several agencies' approvals and also waiting for several major permits.

2. QUESTION: Are you still intending to partner with Aqua on the Tunnel Project?

RESPONSE: Mr. Hurst stated that the "partnership" with Aqua is the subject of PUC and court proceedings, and that an article that appeared in the Delaware County Daily Times last week captured the complex issues regarding the sale to Aqua. If you need more information than that, please let him know.

3. QUESTION: Are you considering the use of anaerobic digester(s) to aid in the treatment of the wastewater once you have expanded your operations to include all of Delaware County?

RESPONSE: Mr. Hurst stated that DELCORA continues to always look for the best treatment in the way of both efficiency and environmental footprint, and is always looking for ways to improve and that will continue. We currently do not have a specific plan. Mr. Willert mentioned that it also has to be economically feasible. Ms. Billings inquired as to what is meant by 'treating sewage for all of Delaware County'. Mr. Willert responded that when the tunnel is completed, all wastewater will be directed to our plant.

3. BID OPENING:

- Contract No. P2022-05 (Re-Bid) – Dewatered Solids Transportation, Stabilization And Beneficial Use/Disposal Services

Ms. Caulk stated that there was one bid received.

	<u>TOTAL BID AMOUNT</u>
Solid Waste Services dba J. P. Mascaro & Sons	\$2,993,166.00 for Items #1 & #2
	<u>Item #1 - Years 1 and 2</u> \$2,298,780.00 (15,480 wet tons)
	<u>Item #2 - Years 1 and 2</u> \$ 694,386.00 (4,676 wet tons)

Mr. Mullen stated that this bid will be reviewed by Staff and our Solicitor's office, and consideration of award will be placed on the agenda for the February 21st Board meeting.

In response to a request from Ms. Nichols for prior bid information for this contract, Ms. Caulk stated that she would provide that to her.

4. MONTHLY REPORT – DIRECTOR OF OPERATIONS & MAINTENANCE: Mr. DiSantis highlighted certain items in the written report. He stated that there were no NPDES violations at the WRTP or at any of the remote facilities during January. Flow in January was typical and very similar to December and year-to-date for 2022 at about 35.5 MGD. Regarding Solids Handling, there was an average of about 60 dry tons a day. Concerning the Central Pump Station, we received 97% of the flow from the Central Delaware County Authority. Mr. DiSantis stated that there were four reportable incidents to DEP. One was a dry weather SSO that occurred at Norwood Borough's Martin Lane Pump Station due to an electrical contactor. The staff responded and the station was returned to normal operation. The other three were emissions incidents. One was caused by a lost phase on incoming power. These issues with PECO have been mentioned before about the quality of PECO's power and there is an item on the agenda today that will provide a solution to the disturbances to the incoming power supply. Regarding the other two incidents, one was excessive temperature in the RTO. The media was replaced this past weekend to address that issue. The other incident was a clog in a differential pressure meter that operates one of the fail safes resulting in the opening of the main bypass. It was found that the sample port for the differential pressure meter was clogged causing the erroneous reading.

Continuing, Mr. DiSantis reported that the incinerators were in service 74% of the month. The rest of the time was used for maintenance and stack test preparation. As a result, there were eleven loads hauled to compost. One of the stack tests is being performed this week and the stack test for the other incinerator system is planned for next week. Mr. DiSantis also stated that there were no system failures during the month

and Central Maintenance performed was 45% corrective, and 55% planned and predictive. Due to the untypical winter weather, Sewer Maintenance was able to continue with more televising and cleaning so the cleaning goal can be met. Lastly, he stated that about 23 million gallons of hauled waste was received. Revenue is expected to meet the planned budget. Mr. DiSantis had no additional comments to the written report. The Committee had no questions regarding the written report.

5. MONTHLY REPORT – DIRECTOR OF ENGINEERING: Mr. Hurst highlighted certain items in the written report. Regarding the Sewer Maintenance contract, he stated that work continues on the pipe systems in the ground including on the force main and the pump station on Delaware Avenue in Marcus Hook, a large sewer line repair at 8th and Morton Avenue, and on various pipes at WRTP. He stated that work is ongoing on the WRTP Plant Upgrades 2020 project to close that out soon. Referring to the T-28 Construction and PS-5 Modifications project, he reported that the new clarifier T-28 and PS-5 are expected to be online by the end of the month. He also noted that the new CEMS system for the incinerator is being installed and the Electrical Maintenance contract supported that project. Mr. Hurst stated that CCTV work continues through both the Edgmont/Middletown/Rose Valley project and the Southwest Authority project. There is an item on the agenda regarding that project that he will explain further at that point.

Regarding the Long Term Control Plan, Mr. Hurst reported that we are still waiting for a response from the EPA and the PADEP on the latest plan that was submitted in December. He also noted that the tunnel program continues to proceed at a good pace. Signed and sealed drawings for the tunnel design were received. The complete design package is ready to be put out for bid. Regarding the WRTP Expansion design, he reported that project is pending analysis of the UV disinfection performance. The Board-approved pilot program is almost complete and we are awaiting receipt of the technical memorandum. Commenting on the Pyrolysis Study, Mr. Hurst stated that a draft report was received for review and, generally, the economic evaluation seems on point but there are a few adjustments needed to the wording and assumptions that were made. Regarding the design of the Outfall and Diffuser project, he reported that sampling of the sediments in the river was completed and that when the outfall is placed in the river, river mud will have to be dug up and removed. Results of the composition of the sediments and obtaining any permits necessary are pending. He also briefly reviewed the Regulatory filings and Pretreatment activities listed on the written report. Lastly, he mentioned that work is underway on the annual Chapter 94 report which will be submitted in late March. Mr. Hurst had no additional comments to the written report. The Committee had no questions regarding the written report.

6. MONTHLY REPORT – ENGINEERING ADVISOR: Mr. Lehman highlighted several on-going projects on the written report, which had been provided to all Board members in advance of today's meeting. He stated that preparation of the Chapter 94 report for 2022 is currently underway and he is working with the DELCORA staff to complete that. The municipal submissions are expected in the next two weeks. Also, the Annual SWMM Modeling continues to proceed and the new contract began January 1st. Mr. Lehman reported that the Metering Program continues to function as anticipated for all of the meters in the system. Currently, there are 129 flow meters that are monitored

monthly and that data is used for billing purposes. Mr. Lehman had no additional comments to the written report. The Committee had no questions regarding the written report.

7. CHANGE ORDERS:

- Contract No. SW-2104-C – SWDCMA Sewer Inflow And Infiltration Removal – Change Order No. 1 – Increase In Contract Time Due To Delays In Obtaining Materials To Complete Job Items – Increase In Contract Time Of A Total Of 137 Days To March 31, 2023 (Standard Pipe Services, LLC)

Mr. Hurst stated that there will be another change order in March for additional funds needed on this project but he did not have all of that information prior to this meeting.

It was the consensus of the Committee to recommend Board approval of the above contract change order. This item will be placed on the agenda for the February 21st Board meeting.

8. REQUEST FOR APPROVAL OF CONTRACT CLOSE-OUT & FINAL PAYMENT:

Mr. Mullen stated that there were no Contract Close-Outs at this time.

9. AUTHORIZATION FOR PROFESSIONAL SERVICES:

- A. East Latitude, LLC – Proposal Dated January 30, 2023 – For Professional Services For GIS-Based Sewer Data Analysis And Mapping – Total Amount Not To Exceed \$5,000.00 (Capital Funds)

Mr. Hurst stated that East Latitude is a company we have been using to harness our GIS System (Graphical Information Systems) which is used to create graphics and prepare reports for a variety of purposes including being responsive to different inquiries because of litigation matters including the Chester bankruptcy.

It was the consensus of the Committee to recommend Board approval of the above proposal. This item will be placed on the agenda for the February 21st Board meeting.

- B. Ryan Appraisal & Real Estate Company – Proposal Dated January 23, 2023 – For Professional Services To Prepare Appraisal Of The Property Owned By The Norwood Borough Authority (Norwood Borough) – Total Amount Not To Exceed \$4,500.00 (Capital Funds)

Mr. Hurst stated that Ryan is the company we use to do appraisals for property. This one in Norwood Borough is a fairly sizable easement needed for the tunnel project.

It was the consensus of the Committee to recommend Board approval of the above proposal. This item will be placed on the agenda for the February 21st Board meeting.

- C. Catania Engineering – Proposal Dated February 9, 2023 – For Professional Engineering Services For Design Of The Parker Street Outfall Emergency Replacement – Total Amount Not To Exceed \$71,980.00.00 (Capital Funds)

Mr. Hurst stated that there is a sizeable outfall that goes under the freight railroad tracks at Parker Street. A sinkhole was found within that easement and upon further inspection, it was found that our outfall pipe has some failure issues within the track easement. The purpose of this proposal is to investigate and assess either the need to replace the pipe or insert a parallel replacement pipe underneath the tracks. Mr. Nagle inquired as to the probable cost of this repair. Mr. Hurst responded that it would probably be about six figures but less than the cost of the I-95 repair which was about \$1 million. In response to a question from Ms. Nichols, Mr. Hurst responded that, yes, this outfall will still exist and will continue to discharge, albeit less frequently, after the tunnel project is completed.

It was the consensus of the Committee to recommend Board approval of the above proposal. This item will be placed on the agenda for the February 21st Board meeting.

- D. ERM (Environmental Resources Management) – Proposal Dated February 3, 2023 – For Professional Real Estate Support Services For The ESA Tunnel Project For Additional Scope Of Work – Total Additional Amount Not To Exceed \$22,900.00 (Capital Funds)

Mr. Hurst stated that ERM negotiates the details of all of our land acquisitions for the tunnel, primarily private entities but there are a few public entities. This proposal is for the additional work and should carry them through to completion.

It was the consensus of the Committee to recommend Board approval of the above proposal. This item will be placed on the agenda for the February 21st Board meeting.

- E. Catania Engineering – Proposal Dated January 31, 2023 – For Professional Engineering Services For The Review Of Planning Modules For 2023 – Total Amount Not To Exceed \$15,000.00 (Operating Funds)

Mr. Hurst stated that this proposal is for continual review of our planning modules when an entity needs capacity within our system. He also noted that there has been much building activity happening within the county or contemplated for the county.

It was the consensus of the Committee to recommend Board approval of the above proposal. This item will be placed on the agenda for the February 21st Board meeting.

- F. Trinity Consultants – Proposal Dated January 6, 2023 – For Professional Services To Provide 2023 Title V Compliance And Reporting Assistance To DELCORA – Total Amount Not To Exceed \$22,900.00 (Operating Funds)

Mr. Hurst stated that Trinity provides a review service for our Title V air reporting. There are about a dozen reports required throughout the year.

It was the consensus of the Committee to recommend Board approval of the above proposal. This item will be placed on the agenda for the February 21st Board meeting.

- G. Power Engineers – Proposal Dated February 6, 2023 – For Professional Engineering Services To Provide Continued Technical Support For GIS, CITYWORKS, And GRANITE XP – Total Amount Not To Exceed \$15,000.00 (Operating Funds)

Mr. Hurst stated that Power Engineers maintains the GIS, CityWorks, and Granite XP software systems with respect to new releases and functioning correctly, and miscellaneous support.

It was the consensus of the Committee to recommend Board approval of the above proposal. This item will be placed on the agenda for the February 21st Board meeting.

10. AUTHORIZATION TO ADVERTISE FOR BIDS:

- Contract No. P2023-01 – Lawn Mowing And Maintenance
- Contract No. P2023-02 – Janitorial Services
- Contract No. P2023-03 – Liquid Polymer Flocculant Dewatering
- Contract No. P2023-04 – Liquid Polymer For Sludge Thickening Process
- Contract No. P2023-05 – Sodium Bisulfite 38%
- Contract No. P2023-06 – Primary Clarifier Spare Parts

It was the consensus of the Committee to recommend Board approval of the above Authorizations to Advertise. These items will be placed on the agenda for the February 21st Board meeting.

11. APPROVAL OF THE FOLLOWING LICENSE AGREEMENT FOR THE WASTEWATER TUNNEL PROJECT:

<u>Parcel No.</u>	<u>Owner</u>	<u>Type of Easement</u>	<u>Cost</u>
33-00-00852-01	PA Historical & Museum Commission	Subterranean	None

(Property is known as Morton Homestead located in Morton Homestead State Park, 100 Lincoln Avenue, Prospect Park, PA 19076)

Mr. Hurst stated that this easement is under the Morton Homestead located in Prospect Park. It is owned by the Commonwealth of Pennsylvania but managed by Prospect Park. This is a license agreement to put the tunnel under that tract of land.

It was the consensus of the Committee to recommend Board approval of the above easement agreement. This item will be placed on the agenda for the February 21st Board meeting.

12. AUTHORIZATION TO PURCHASE:

- Purchase Of Replacement Carbon For The Activated Carbon-Based Odor Adsorber System At DELCORA's Western Regional Treatment Plant Through A Sole Source Vendor (AFTERMARKET™, ECS MUNICIPAL – Quote Dated February 7, 2023 – Total Amount Not To Exceed \$31,880.00 (Operating Funds)

Mr. Hurst stated that this purchase is related to the rental unit that the Board approved about a year ago. The rental carbon unit serves one of our stronger odor sources and the carbon filter needs to be replaced to refresh the carbon in this unit. Since the rental unit is a vendor's product, we need to buy the carbon from that vendor as a sole source.

This is consistent with the terms of the rental agreement previously reviewed by the Solicitor.

It was the consensus of the Committee to recommend Board approval of the above purchase. This item will be placed on the agenda for the February 21st Board meeting.

- Purchase Of One GapVax 2023 MC2008-3S3X Combination Jet/Vac On A Mack Granite 64FR 66,000 LB GVWR Chassis Via Sourcewell Contract No. 101221-GPV Dated January 13, 2023 – Total Amount Not To Exceed \$531,970.00 (Capital Funds)

Mr. DiSantis stated that this is a combo truck that we use. We currently have a 2006 unit in service. This new unit will take approximately two years for delivery and by that time, the 2006 unit will have been in service well past its life expectancy. Sourcewell is a multi-state governmental purchasing cooperative that we've used in the past. Recently, there have been issues with the CoStar System wherein vendors had to re-signup and get their various products back into their system. He feels that won't be a long-term issue but since this truck will take almost two years to build, the best solution was using Sourcewell.

It was the consensus of the Committee to recommend Board approval of the above purchase. This item will be placed on the agenda for the February 21st Board meeting.

- Purchase Of Construction Services And Materials For Building B-3 New UPS Install Via The Keystone Purchasing Network ezIQC© Contract (Contractor S.J. Thomas Company, Inc. – Proposal Dated October 28, 2022 – JOC Contract No. 2021JOCC-47) – Total Amount Not To Exceed \$2,320,442.58 (Capital Funds)

Mr. Hurst stated that B-3 houses the incineration process and there have been increased issues with the power supply to the plant site which affects the performance of B-3. When power is interrupted, it creates an opening in either a short stack or the main stack. It was determined that this building needs an additional backup power source to provide an uninterrupted power supply (UPS). This is for the incineration process only not the entire plant. We propose using Keystone Purchasing Network (KPN) to get this new UPS system online very quickly for this facility. The actual contract is with S.J. Thomas. The KPN is a state-wide program administered by the state, similar to CoStars, but instead of just purchasing components, equipment, and materials, this also includes the actual construction. Due to the size of this purchase, he stated that the Solicitor will review all of the documents and will provide his recommendation for this purchase at the Board meeting. In response to a question from Mr. Nagle, Mr. Hurst stated that this purchase was not in the current capital plan. Ms. Nichols inquired if this would be a full time operation or will it just be used in the event that there are issues with the PECO power supply. Mr. Hurst responded that the UPS will be energized all of the time and won't be utilized until the power supply from PECO drops out.

It was the consensus of the Committee to recommend Board approval of the above purchase. This item will be placed on the agenda for the February 21st Board meeting.

Prior to adjournment, Mr. Kern stated that he had received a memo dated February 7th from the City of Philadelphia Water Department (PWD). He noted that this is a follow-up to another letter recently received from PWD. Mr. Kern read the memo aloud in its entirety:

“This memo is being sent in follow-up to the Water Department’s January 3, 2023 correspondence regarding updates to the calculation methodology used to determine the percentage allocation of the City of Philadelphia’s (City’s) Combined Sewer Overflow (CSO) Long-term Control Plan Update (LTCPU) commitments made in the City’s Consent Order Agreement (COA) with Pennsylvania Department of Environmental Protection (PA DEP) in 2011.

The previous calculation method used to assign the wholesale customer’s portion of the costs associated with implementing the COA was based on the ratio of the wholesale service agreement’s peak flow limit to the total permitted peak wastewater treatment capacity available at Philadelphia’s three water pollution control plants (WPCPs).

The updated method is based on the estimated impact that a current wholesale customer’s flow contribution has on the average annual CSO volume from the permitted CSO outfalls in the City. The average annual CSO volume is determined using a calibrated Hydrologic and Hydraulic (H&H) model of PWD’s wastewater collection and treatment system, as developed in conjunction with the ongoing implementation of Philadelphia’s CSO LTCPUs.

The City intends to utilize the H&H modeling methodology going forward. The H&H models will be updated with the best available information as data collection efforts continue and to reflect significant changes which may arise. These changes may include, but are not limited to, H&H model improvements, regulatory requirements, wastewater collection system and/or the contributing flows, including flows from the wholesale customers.

Based upon the updated methodology, the Philadelphia Water Department proposes to revise the LTCPUs COA cost allocation percentage for the Delaware County Regional Authority (DELCORA) as presented in the table below. [Mr. Kern read aloud the table below.]

	Current Contract LTCPUs Cost Allocation Percentage*	Proposed Contract LTCPUs Cost Allocation Percentage
DELCORA	9.44%	0.21%

*Rounded

The enclosed draft wholesale rate schedule provides a preliminary estimate of the DELCORA’s rates and charges under the new methodology for Fiscal Year (FY) 2024.

While the annual wastewater treatment lump sum costs and unit costs will all increase from the fiscal year (FY) 2023 to FY 2024, DELCORA’s LTCPUs annual lump sum cost is estimated to decrease by approximately \$2 million under the new methodology. Wholesale rates and charges will be finalized in June 2023.”

Mr. Kern noted that the attachment to the PWD memo indicates the formula for calculating wastewater treatment and it shows a lump sum for the Long Term Control Plan (LTCP) for next year at \$97,000. This suggests that between now and the end of our service agreement with PWD, DELCORA will probably be saving about \$2 million per year for their Long Term Control Plan costs. The current service agreement expires April 1, 2028. Mr. Willert added that a few years ago, PWD said that our cost would be \$605 million for their Long Term Control Plan, based on the old methodology. Now, that figure is less than \$100 million. Mr. Willert stated that a meeting will be scheduled with PWD to discuss this new development and he will keep the Board apprised.

General discussion followed concerning DELCORA's future costs to the PWD LTCP for the next five years and beyond, the economic impact on our budgets, the rates to our customers, and the tunnel project. The new PWD rate will begin in September 2023.

ADJOURNMENT: It was moved by Ms. Billings, seconded by Mr. Nagle, and unanimously carried to adjourn the regular meeting at 4:10 p.m.